

SENATE MOTION

MR. PRESIDENT:

I move that Engrossed House Bill 1004 be amended to read as follows:

- 1 Page 14, between lines 10 and 11, begin a new paragraph and insert:
- 2 "SECTION 10. IC 6-1.1-1-8.7 IS ADDED TO THE INDIANA
- 3 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 4 [EFFECTIVE UPON PASSAGE]: **Sec. 8.7. "Low income housing"**
- 5 **means real property that on an assessment date is used to obtain**
- 6 **any of the following benefits:**
- 7 (1) **Low income housing credits under Section 42 of the**
- 8 **Internal Revenue Code.**
- 9 (2) **Low interest loans for benefits from the United States**
- 10 **Department of Agriculture Rural Housing Section 515**
- 11 **Program.**
- 12 (3) **Below market, federally insured, or governmental**
- 13 **financing for housing, including tax exempt bonds under**
- 14 **Section 142 of the Internal Revenue Code for qualified**
- 15 **residential rental projects.**
- 16 (4) **A low interest loan under Section 235 or 236 of the**
- 17 **National Housing Act (12 U.S.C. 1715z or 12 U.S.C. 1715z-1)**
- 18 **or 42 U.S.C. 1485.**
- 19 (5) **A government rent subsidy for housing.**
- 20 (6) **A government guaranteed loan for a housing project.**
- 21 SECTION 11. IC 6-1.1-1-8.8 IS ADDED TO THE INDIANA
- 22 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 23 [EFFECTIVE UPON PASSAGE]: **Sec. 8.8. "Multifamily dwelling**
- 24 **complex" refers to one (1) or more adjacent tracts and the building**
- 25 **or buildings on the tracts that each contain at least two (2)**
- 26 **residential units and are under common management or control.**
- 27 SECTION 12. IC 6-1.1-1-13.5 IS ADDED TO THE INDIANA
- 28 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 29 [EFFECTIVE UPON PASSAGE]: **Sec. 13.5. (a) "Principal rental**
- 30 **dwelling" refers to residential improvements to land that an**
- 31 **individual with a leasehold interest in the property uses as the**

individual's principal place of residence, regardless of whether the individual is absent from the property while in a facility described in subsection (b).

(b) The term does not include any of the following:

- (1) A hospital licensed under IC 16-21.
- (2) A health facility licensed under IC 16-28.
- (3) A residential facility licensed under IC 16-28.
- (4) A Christian Science home or sanatorium.
- (5) A group home licensed under IC 12-17.4 or IC 12-28-4.
- (6) An establishment that serves as an emergency shelter for victims of domestic violence, homeless persons, or other similar purpose.
- (7) A fraternity, sorority, or student cooperative housing organization described in IC 6-2.1-3-19."

Page 16, between lines 28 and 29, begin a new paragraph and insert:
"SECTION 15. IC 6-1.1-6.9 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 6.9. Rental and Cooperative Housing

Sec. 1. Notwithstanding any provision in the 2002 Real Property Assessment Manual and Real Property Assessment Guidelines for 2002-Version A, incorporated by reference in the rules of the local government finance commissioner, as codified at 50 IAC 2.3-1-2, a county property tax assessment board of appeals or the Indiana board shall consider all evidence relevant to the assessment of residential rental property regardless of whether the evidence was submitted to the township assessor before the assessment of the property.

Sec. 2. The true tax value of low income rental housing shall be determined using the capitalization of income method of valuation.

Sec. 3. The value of any tax incentive credits or other government subsidies, including below market financing, granted for the construction, conversion, or use of property as low income housing may not be considered in determining the true tax value of the property regardless of whether the credits or other subsidies are made available, directly or indirectly, to compensate the owner for the rental of low income housing at a rate that is less than the fair market rental rate for the property."

Page 17, between lines 37 and 38, begin a new paragraph and insert:
"SECTION 18. IC 6-1.1-12-42 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004]: **Sec. 42.** (a) This section applies to a multifamily dwelling complex.

(b) The owner of a multifamily dwelling complex is entitled to a deduction from the assessed value of the multifamily dwelling complex equal to:

- (1) five thousand dollars (\$5,000); multiplied by
- (2) the number of residential units in the multifamily dwelling

1 **complex.**

2 **(c) A certificate of occupancy that complies with this subsection**
 3 **is prima facie evidence that the real property is a multifamily**
 4 **dwelling complex. To comply with this subsection, the certificate**
 5 **of occupancy must:**

6 **(1) be prepared on a form prescribed by the department of**
 7 **local government finance;**

8 **(2) be signed under penalties of perjury by owner of the**
 9 **multifamily dwelling complex or the principal officer of the**
 10 **entity owning the complex; and**

11 **(3) indicate that substantially all of the units in the**
 12 **multifamily dwelling complex were used as principal rental**
 13 **dwelling on an assessment date or within two (2) years before**
 14 **the assessment date.**

15 **(d) To obtain the deduction under this section, the:**

16 **(1) owner of the multifamily dwelling complex; or**

17 **(2) principal officer for the cooperative, common interest**
 18 **community, or owner's association owning the multifamily**
 19 **dwelling complex;**

20 **must file a certified application in duplicate, on forms prescribed**
 21 **by the department of local government finance, with the auditor of**
 22 **the county in which the property is subject to assessment. The**
 23 **certified application must be filed before May 11 in the year**
 24 **containing the assessment date to which the application applies.**

25 **(e) If the owner of the multifamily dwelling complex is eligible**
 26 **to receive:**

27 **(1) a homestead credit for the multifamily dwelling complex**
 28 **under IC 6-1.1-20.9; or**

29 **(2) the standard deduction for the multifamily dwelling**
 30 **complex under section 37 of this chapter;**

31 **the owner may not claim the deduction provided under this**
 32 **section."**

33 Page 157, between lines 11 and 12, begin a new paragraph and
 34 insert:

35 **"SECTION 158. [EFFECTIVE JANUARY 1, 2004] IC 6-1.1-12-42,**
 36 **as added by this act, applies to property taxes first due and payable**

- 1 **after December 31, 2003."**
- 2 Page 157, after line 15, begin a new paragraph and insert:
- 3 "SECTION 159. **An emergency is declared for this act.**".
- 4 Renumber all SECTIONS consecutively.
(Reference is to EHB 1004 as printed February 22, 2002.)

Senator BREAU